



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 24, 2005

CERTIFIED RETURN RECEIPT 7002 0510 0003 8603 2977

Lon Thomas
Star Stone Quarries, Inc.
4040 South 300 West
Salt Lake City, Utah 84107

Subject: Proposed Assessment for State Cessation Order No. MC-05-01-16(1),
Star Stone Quarries, Inc., Peoa Blonde Quarry (M/043/012), Summit
County, Utah

Dear Mr. Thomas:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the Assessment Officer for assessing penalties under R647-7.

Enclosed is the proposed civil penalty assessment for the above referenced cessation order. The cessation order was issued by Division Inspector, Lynn Kunzler, on October 4, 2005. Rule R647-7-103 et. seq. has been utilized to formulate the proposed penalty for the violation as follows:

- MC-05-01-16(1)– Violation 1 of 1. \$1980

The enclosed worksheet specifically outlines how the violation was assessed.

By these rules, any written information which was submitted by you or your agent within fifteen (15) days of receipt of this Cessation Order or Violation has been considered in determining the facts surrounding the violation and the amount of penalty. If the violation has not been abated at the time of the proposed assessment, the assignment of good faith points cannot be made. If you feel that you are eligible for good faith, you should supply relevant information to the assessment officer within 15 days of the violation abatement date so that it can be factored into the final assessment.

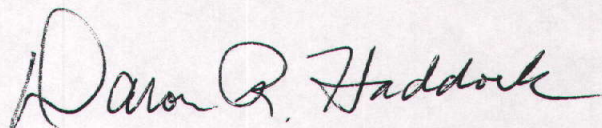
Lon Thomas
Page 2 of 6
M/043/012
October 24, 2005

As you know, under R647-7-106, there are informal appeal options available to you. You have already requested an Informal Conference regarding the fact of the violation. This conference will be held on November 17, 2005 at 10:00 a.m. and will be conducted by the Division Director or Associate Director. This Informal Conference is distinct from an Assessment Conference regarding the proposed penalty.

If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within thirty (30) days of receipt of this letter. If you so desire the assessment conference could be scheduled immediately following the Informal Conference regarding the fact of the violation.

If a timely request for review of this assessment is not made, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the final assessment. Please remit payment to the Division, mail c/o Vickie Southwick.

Sincerely,



Daron R. Haddock
Assessment Officer

Enclosure: Worksheets

cc: Vickie Southwick, Exec. Sec.
Vicki Bailey, Accounting

O:\M043-Summit\M0430012-PeoaQuarry\non-compliance\proAssessment-CO.doc

WORKSHEET FOR ASSESSMENT OF PENALTIES
DIVISION OF OIL, GAS & MINING
Minerals Regulatory Program

COMPANY / MINE Star Stone Quarries, Inc. /Peoa Blonde Quarry PERMIT S/043/012

NOV / CO # MC-05-01-16(1)

VIOLATION 1 of 1

ASSESSMENT DATE October 21, 2005

ASSESSMENT OFFICER Daron R. Haddock

I. HISTORY (Max. 25 pts.) (R647-7-103.2.11)

- A. Are there previous violations, which are not pending or vacated, which fall within three (3) years of today's date?

| PREVIOUS VIOLATIONS | EFFECTIVE DATE | POINTS (1pt for NOV 5pts for CO) |
|---------------------|----------------|-------------------------------------|
| <u>none</u> | <u></u> | <u></u> |
| <u></u> | <u></u> | <u></u> |

TOTAL HISTORY POINTS 0

II. SERIOUSNESS (Max 45pts) (R647-7-103.2.12)

NOTE: For assignment of points in Parts II and III, the following apply:

1. Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.
2. Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.

Is this an EVENT (A) or Administrative (B) violation? Event
(assign points according to A or B)

A. EVENT VIOLATION (Max 45 pts.)

1. What is the event which the violated standard was designed to prevent?

2. What is the probability of the occurrence of the event which a violated standard was designed to prevent?

| <u>PROBABILITY</u> | <u>RANGE</u> |
|--------------------|--------------|
| None | 0 |
| Unlikely | 1-9 |
| Likely | 10-19 |
| Occurred | 20 |

ASSIGN PROBABILITY OF OCCURRENCE POINTS 20

PROVIDE AN EXPLANATION OF POINTS:

*** *An Operator is required to obtain a permit from the Division of Oil Gas and Mining prior to conducting mining operations. Acreage has been disturbed at this location without revising the permit to do so. While the Operator has a permit for a large mine, which allowed disturbance up to a certain area, the operation has expanded onto lands which are not part of the permit. (approximately 0.88 acres). Disturbance has actually occurred.*

3. What is the extent of actual or potential damage? RANGE 0-25

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS 8

PROVIDE AN EXPLANATION OF POINTS:

*** *The inspector stated that the operator has disturbed approximately .88 acres of land that had not been approved for disturbance. The damage was the loss of vegetative resources and soil on the area disturbed. Further discussion with the inspector revealed that the damage is probably temporary. While the soil and vegetation have been buried by overburden, the site could still be reclaimed. Damage is assessed in the lower 1/3 of the range.*

B. ADMINISTRATIVE VIOLATIONS (Max 25pts)

1. Is this a POTENTIAL or ACTUAL hindrance to enforcement?
RANGE 0-25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS

PROVIDE AN EXPLANATION OF POINTS:

TOTAL SERIOUSNESS POINTS (A or B) 28

III. DEGREE OF FAULT (Max 30 pts.) (R647-7-103.2.13)

- A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE; or, was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, the failure to abate any violation due to the same or was economic gain realized by the permittee? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

| | |
|-------------------------|-------|
| No Negligence | 0 |
| Negligence | 1-15 |
| Greater Degree of Fault | 16-30 |

STATE DEGREE OF NEGLIGENCE Negligence

ASSIGN NEGLIGENCE POINTS 10

PROVIDE AN EXPLANATION OF POINTS:

*** *The inspector indicated that the operator had previously been cautioned about the need to remain within the permit area. Permit Area markers had been installed, but were not closely monitored and some of them had been moved from their original setting or buried. This indicates indifference to the rules or lack of reasonable care. A prudent operator would understand the need to keep within the approved boundaries and provide a revised NOI prior to disturbing additional area. The Operator was negligent in this regard, thus the assignment of points in the middle part of the negligence range.*

IV. GOOD FAITH (Max 20 pts.) (R467-7-103.2.14)

(Either A or B) (Does not apply to violations requiring no abatement measures)

- A. Did the operator have onsite, the resources necessary to achieve compliance of the violated standard within the permit area?

IF SO--EASY ABATEMENT

Easy Abatement Situation

| | | |
|---|---|-------------|
| X | Immediate Compliance | -11 to -20* |
| | (Immediately following the issuance of the NOV) | |
| X | Rapid Compliance | -1 to -10 |
| | (Permittee used diligence to abate the violation) | |
| X | Normal Compliance | 0 |
| | (Operator complied within the abatement period required) | |
| | (Operator complied with condition and/or terms of approved Mining and Reclamation Plan) | |

*Assign in upper of lower half of range depending on abatement occurring the 1st or 2nd half of abatement period.

- B. Did the permittee not have the resources at hand to achieve compliance, or does the situation require the submission of plans prior to physical activity to achieve compliance?

IF SO--DIFFICULT ABATEMENT

Difficult Abatement Situation

- | | | |
|---|---|-------------|
| X | Rapid Compliance | -11 to -20* |
| | (Permittee used diligence to abate the violation) | |
| X | Normal Compliance | -1 to -10* |
| | (Operator complied within the abatement period required) | |
| X | Extended Compliance | 0 |
| | (Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard of the plan submitted for abatement was incomplete) | |
| | (Permittee complied with conditions and/or terms of approved Mining and Reclamation Plan) | |

EASY OR DIFFICULT ABATEMENT? Difficult

ASSIGN GOOD FAITH POINTS 0

PROVIDE AN EXPLANATION OF POINTS:

*** *The abatement has not yet been completed, so good faith points cannot be awarded at this time. This category will be looked at again after the abatement has been completed. Points will be awarded depending on how quickly the abatement is met.*

V. ASSESSMENT SUMMARY (R647-7-103.3)

NOTICE OF VIOLATION # MC-05-01-16(1)

| | | |
|------|--------------------------|-----------|
| I. | TOTAL HISTORY POINTS | <u>0</u> |
| II. | TOTAL SERIOUSNESS POINTS | <u>28</u> |
| III. | TOTAL NEGLIGENCE POINTS | <u>10</u> |
| IV. | TOTAL GOOD FAITH POINTS | <u>-</u> |
| | TOTAL ASSESSED POINTS | <u>38</u> |

TOTAL ASSESSED FINE \$ 1,980

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LON THOMAS
STAR STONE QUARRIES INC
4040 S 300 W
SALT LAKE CITY UT 84107

JB DOGM M/043/012 10/24/05

2. Article Number

(Transfer from service label)

7002 0510 0003 8603 2977

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

Katie Lund

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☒ No

RECEIVED
OCT 26 2005
DIV. OF OIL, GAS & MINING



3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

UNITED STATES POSTAL SERVICE

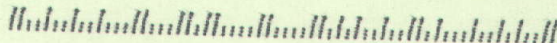
SALT LAKE CITY UT 841

25 OCT 2005 PM 5 1

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Joelle Burns
State of Utah
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Salt Lake City UT 84114-5801



U.S. Postal Service

CERTIFIED MAIL RECEIPT

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JB DOGM M/043/012 10/24/2005

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Proposed Assessment

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

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Postmark
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Sent To

LON THOMAS - STAR STONE QUARRIES

Street, Apt. No.;
or PO Box No.

4040 S 300 W

City, State, ZIP+4

SLC UT 84107

7002 0510 0003 8603 2977